

REMARKS

By this Amendment, Applicants have amended claims 1, 23, 33, 45, 46, 54, 68, 82, 96, and 138, and cancelled claims 8, 15, 30, 37, 53, 67, 81, 95, 133, and 137 such that claims 1-7, 9-14, 16-29, 31-36, 38-47, 50-52, 54-61, 64-66, 68-75, 78-80, 82-89, 92-94, 96-103, 106-115, 118-132, 134-136, and 138-159 remain pending in this application. Claims 1, 11, 23, 33, 45, 46, and 128 have been amended to include the subject matter of claims 8, 15, 30, 37, 53, 67, 81, 95 and 133 respectively.

In the Office Action dated June 10, 2005, the Examiner rejected claims 1-8, 11-15, 23-30, 33-37, 45-46, 50-59, 61, 64-73, 75, 78-87, 89, 92-101, 103, 106-113, 115, 118-125, 127-133, 136-143, and 145-159 under 35 U.S.C. § 103(a) as being unpatentable over Block in view of Basch (US 6,119,103), and rejected claims 9, 10, 31, 32, 134, and 135 under 35 U.S.C. § 103(a) as being unpatentable over Block in view of Basch and further in view of Taylor (US 5,530,232). Applicants respectfully traverse the rejection of claims 1-7, 9-14, 16-29, 31-36, 38-47, 50-52, 54-61, 64-66, 68-75, 78-80, 82-89, 92-94, 96-103, 106-115, 118-132, 134-136, and 138-159 under 35 U.S.C. §103(a) for the following reasons.

Examiner Interview of August 2, 2005

Applicants wish to thank Examiner Kramer for allowing Applicants' representatives to discuss the pending claims during a telephonic interview on August 2, 2005. In particular, Applicants' representatives discussed the outstanding rejections under 35 U.S.C. § 103(a) including the rejections of claims 4, 52-54, and 128.

Rejections of Claims under 35 U.S.C. § 103

In order to establish a *prima facie* case of obviousness, three basic criteria must be met. First, the prior art reference (or references when combined) must teach or suggest all the claim elements. Second, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify a reference or to combine reference teachings. Third, there must be a reasonable expectation of success. See M.P.E.P. § 2143.

Independent claims 1, 11, 23, 33, 45, and 46 recite, among other things:

establishing a first credit line . . . for purchase transactions made with a particular merchant;

establishing a second credit line . . . for purchase transactions made with any merchant other than the particular merchant; . . .

issuing the credit card to the cardholder with the established first credit line as a main credit line and the established second credit line as an embedded credit line, wherein the first credit line is associated with a first credit limit and the second credit line is associated with a second credit limit, and wherein the first credit limit includes the second credit limit

Block contains no disclosure or suggestion of at least “establishing a first credit line . . . for purchase transactions made with a particular merchant; establishing a second credit line . . . for purchase transactions made with any merchant other than the particular merchant; [and] issuing the credit card to the cardholder with the established first credit line as a main credit line and the established second credit line as an embedded credit line, wherein the first credit line is associated with a first credit limit and the second credit line is associated with a second credit limit, and wherein the first credit limit includes the second credit limit,” as recited in claims 1, 11, 23, 33, 45, 46, and similarly recited in claim 128. By contrast, Block describes a “cobranded credit card that offers two **separate** lines of credit.” (Page 1, line 5) (emphasis added). Retailers

who decide to use the general line of credit, a MasterCard line of credit, also offer their customers various incentives to charge purchases on the retailer's line of credit. (Page 2, lines 6-7). For at least these reasons, Applicants submit that the claims are patentable over Block.

In fact, Block teaches against the claim limitations recited above. Block states that a "second credit line can be used for transactions wherever MasterCard is accepted, so if the customer uses up the general line of credit [the MasterCard line of credit], store credit will still be available." (Page 2, lines 6-9) (emphasis added). Therefore, in the Block system, the two lines of credit are "separate," (page 1, line 5) as opposed to "the first credit limit includ[ing] the second credit limit, as recited in claims 1, 11, 23, 33, 45, 46, and 128. If the Block system had a "first credit limit [that] include[d] the second credit limit," as recited in claims 1, 23, 33, 45, 46, and 128, then when the customer used up the general line of credit (the MasterCard line of credit), the store's line of credit would **not** be available because it too would be used up since the general line of credit would include the store's line of credit. However, as mentioned above, this is not the case since in Block the two lines are "separate" and in the event the "customer uses up the general line of credit, store credit will still be available." (Page 2, lines 6-9).

Therefore, for this additional reason, Block fails to disclose or suggest "establishing a first credit line . . . for purchase transactions made with a particular merchant; establishing a second credit line . . . for purchase transactions made with any merchant other than the particular merchant; [and] issuing the credit card to the cardholder with the established first credit line as a main credit line and the established

second credit line as an embedded credit line, wherein the first credit line is associated with a first credit limit and the second credit line is associated with a second credit limit, and wherein the first credit limit includes the second credit limit," as recited in claims independent 1, 11, 23, 33, 45, 46, and similarly in claim 128 of the present application.

Basch, cited to show revolving credit lines, also fails to cure the above noted deficiencies of Block. Furthermore, Taylor, cited to show multi-application credit cards, also fails to cure the above-noted deficiencies of Block. Therefore, Block, Basch, and Taylor, whether taken alone or in combination, fail to disclose or suggest all of the elements of claims 1, 11, 23, 33, 45, 46, and 128. The Examiner has, therefore, not met an essential criteria for establishing a *prima facie* case of obviousness. See M.P.E.P. §§ 2142, 2143, and 2143.03.

In view of the foregoing, Applicants respectfully submit that independent claims 1, 11, 23, 33, 45, 46, and 128 are allowable, for the reasons argued above. In addition, dependent claims 2-7, 9-10, 12-14, 16-22, 24-29, 31-32, 34-36, 38-44, 47, 50-52, 54-61, 64-66, 68-75, 78-80, 82-89, 92-94, 96-103, 106-115, 118-127, 129-132, 134-136, and 138-159 are also allowable at least by virtue of their respective dependence from allowable independent claims 1, 11, 23, 33, 45, 46, and 128. Therefore, Applicants respectfully request the Examiner to withdraw the 35 U.S.C. § 103(a) rejections and allow the claims.

Summary & Conclusion

Based on the foregoing remarks and proposed amendments, Applicants respectfully submit that claims 1-7, 9-14, 16-29, 31-36, 38-47, 50-52, 54-61, 64-66, 68-75, 78-80, 82-89, 92-94, 96-103, 106-115, 118-132, 134-136, and 138-159 are

patentable over the cited prior art. Applicants, therefore, request the Examiner's reconsideration and reexamination of the application and the timely allowance of the pending claims.

Please grant any extensions of time required to enter this response and charge any additional required fees to our deposit account 06-0916.

Respectfully submitted,

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